

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Municipal Administration And Urban Development Department - Hyderabad Metropolitan Water Supply & Sewerage Board - Godavari Drinking Water Project Phase-I - Moulana Abdul Kalam Hyderabad Sujala Sravanti Scheme (MAKHSS) - Housing and Urban Development Corporation (HUDCO) financial loan assistance for the project - Providing Government guarantee for principal part as security for obtaining additional loan of Rs.1000 Crores from Housing and Urban Development Corporation (HUDCO) - Orders - Issued - Certain Amendments - Orders - Issued.

MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (K1) DEPARTMENT

G.O.Ms.No.108,

Dated:29.3.2014.

Read the following:

1. G.O.Ms.No.509, Municipal Administration and Urban Development (K1) Department, dated:27.12.2013.
2. From the Managing Director, Hyderabad Metropolitan Water Supply and Sewerage Board, Hyderabad, Letter No. HMWSSB/MD/GDWS/2013-14, dated:9.01.2014.

ORDER:

In the G.O. read above, orders were issued according permission to the Managing Director, Hyderabad Metropolitan Water Supply & Sewerage Board to obtain additional loan of Rs.1000.00 Crores from Housing and Urban Development Corporation (HUDCO) with Government Guarantee (for principal part only) as security for early completion of Godavari Drinking Water Supply Project to meet the drinking water scarcity in Hyderabad and surrounding municipalities, subject to the condition that the Budgetary support will not be provided through out the currency loan and the guarantee will be given only for Principal part only subject to fulfillment of other conditions stipulated in G.O. Ms. No.446, Finance (DMC) Department, Dated 29-09-2003.

2. In the reference 2nd read above, the MD, HMWSSB, Hyderabad has informed that, the HUDCO has requested for providing the Govt. guarantee as well the budgetary support for the repayment of principal and interest for the entire loan repayment period. In both the instances of the loans avail, budgetary support is provided for entire loan and interest. HMWSSB cannot meet the debt servicing of interest component due to severe financial crunch. The MD, HMWSSB has therefore requested the Government to arrange for the provision of repayment of principal and interest for the entire loan repayment period for the 2nd loan for GDWSS from HUDCO without which HUDCO will not sanction the loan.

3. Government after careful examination of the matter, have decided to accept the above proposal of the MD, HMWSSB in modification to the para-5 of the G.O. first read above. Accordingly, Government hereby substitute para- 5 of the G.O. first read with the following:

- i) Permission is hereby accorded to raise additional loan of Rs.1000 crores from HUDCO with Govt. Guarantee.
- ii) For repayment of HUDCO term loan of Rs.1000 Crores in the regular budget years, the line item in the present budget i.e. "Loan to the Managing Director, Hyderabad Metropolitan Water Supply and Sewerage Board, Hyderabad,, GWS" will met the requirements of HUDCO"
- iii) Govt. hereby also agree to provide the required financial support.

(P.T.O)

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4. The Managing Director, Hyderabad Metro Water Supply & Sewerage Board, Hyderabad shall take necessary further action in the matter, accordingly.

5. This order issues with the concurrence of Finance(Expr.M&F) Department vide their U.O.No.1859/43/A1/Expr.M&F/14, dated:18-03-2014 and General Administration (Election) Department vide their C.E.O. & Principal Secretary to Government Peshi No.137, Dated:28.03.2014.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Dr. SAILENDRA KUMAR JOSHI
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Managing Director,
Hyderabad Metropolitan Water Supply & Sewerage Board, Hyderabad.

Copy to :

The Finance (DCM.II) Department.
The Finance (Exp. M&F) Department.
The P.S. to Chief Secretary.
The P.S. to Principal Finance Secretary.
The P.S. to Principal Secretary to Govt.(UD), MA&UD Department.
SC/SF.

// FORWARDED :: BY ORDER //

SECTION OFFICER